

Process Narrative

Example: Handle Personal Auto Claims

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Process Name

Handle Personal Auto Claims

Process Description

This process describes how personal auto claims are handled and adjudicated by the claims adjuster.

Process Triggers

A personal auto claim is created and assigned to the claims adjuster, this can be done by the:

- CSR following a report of the incident.
- Claimant using the company's portal or the company's mobile application.
- Claims adjuster's manager when reassigning claims to balance the workload.

Primary Role

Claims Adjuster

Other Roles

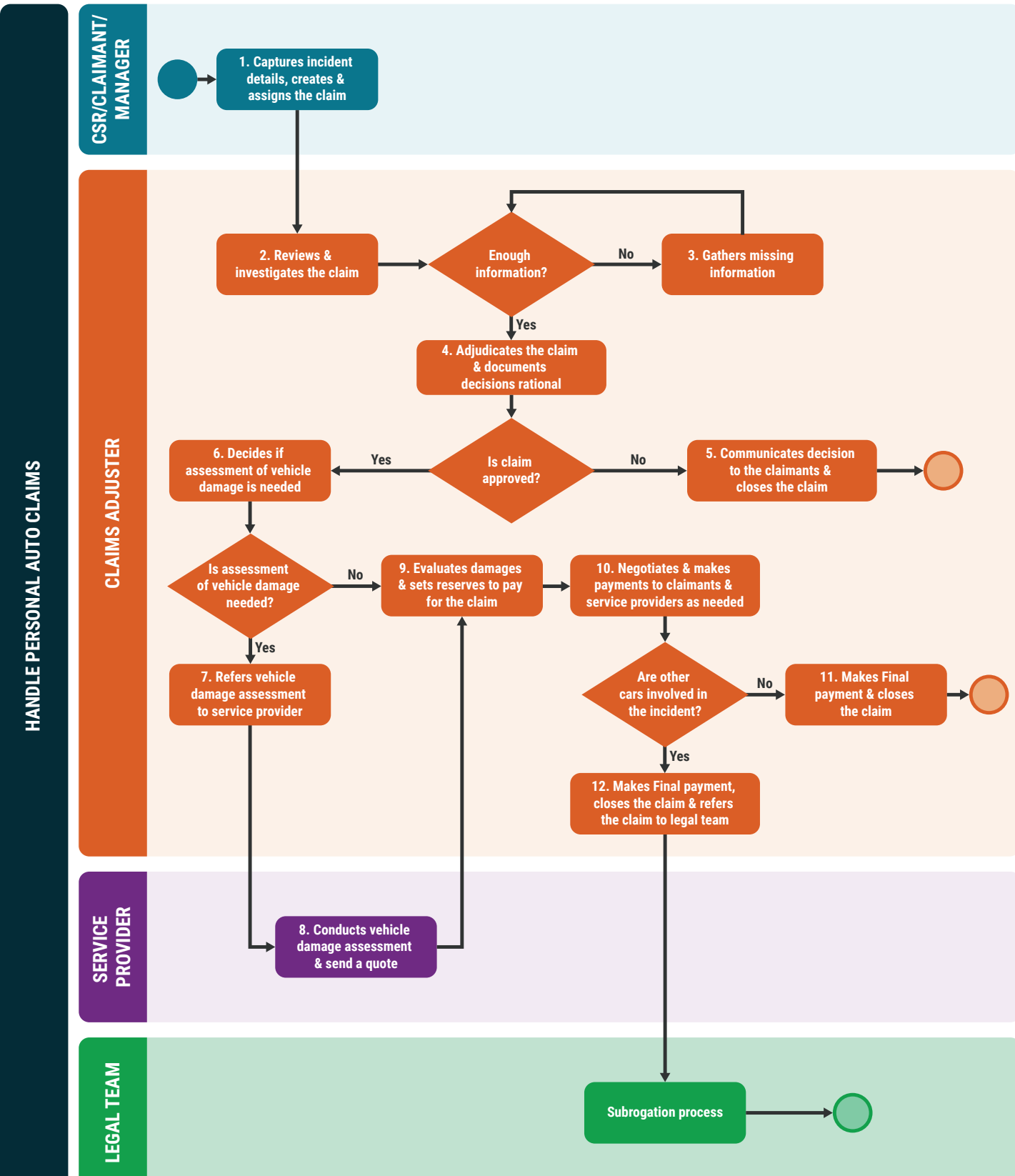
- Claims Service Representative,
- Claims adjuster's manager,
- Service providers, and
- Legal team.

Precondition

The vehicle involved in the incident is insured by the company.

Business Process Map

The Business Process Map provides a visual representation of the process.



Process Narrative

1. **Captures incident details, creates, and assigns the claim:**

- a. The Customer Service representative enters information about the incident (what was lost or damaged such as damages to vehicles, properties, bodily injury, etc.), the date of the incident, etc.
- b. The claimant can enter incident information using the company's portal or mobile application.
- c. Once the required incident information is entered, the claim is created and assigned to an auto claims adjuster.

2. **Reviews and investigates the claim:**

The claims adjuster reviews the policy for coverage details, and the incident details, and assesses if further information is needed.

3. **Gathers missing information:**

The claims adjuster gathers missing information, such as:

- Police reports,
- Witness statements, and
- Information about other cars or properties involved, etc. then updates the claim information accordingly.

4. **Adjudicates the claim and documents decision rational:**

The claims adjuster makes the decision to accept or deny the claim based on the following rules:

- Check if the policy was in effect at the time of the incident, and
- Check if the policy covers:
 - › Incident vehicle,
 - › Loss location, and
 - › Loss cause.

The decision made is documented on the claim file along with its rational.

5. **Communicates decision to the claimants and closes the claim:**

The claims adjuster sends a denial letter to each of the claimants outlining the rational for denying the claim and closes the claim.

6. **Decides if assessment of vehicle damage is needed:**

The claims adjuster reviews incident details and decides if the vehicle can be repaired or if it is a total loss.

- If the vehicle can be repaired, the claims adjuster makes referral for assessment of vehicle damage.
- If the vehicle is a total loss, then the claims adjuster calculates its salvage value and sets reserves to pay it.

7. **Refers vehicle damage assessment to service provider:**

The claims adjuster makes a referral for vehicle damage assessment to a:

- Preferred service provider — if there is one close to the area of the incident and the claimant accepts the preferred service provider. In this case, the preferred service provider bills the claims adjuster directly.
- A non-preferred service provider — if the claimant prefers a non-preferred service provider, or if there is no preferred service provider close to the location of the incident. In this case, the claimant is responsible for sending bills to the claims adjuster for reimbursement.

8. Conducts vehicle damage assessment and sends a quote:

Service provider assesses damages to vehicle and sends a quote for repairing the damages to the claims adjuster.

9. Evaluate damages and set reserves to pay for the claim:

The claims adjuster evaluates vehicle damages, then calculates and sets reserves to pay for the claim costs accordingly. The reserve lines are set according to the coverages included in the policy (such as liability, bodily injury, etc.).

10. Negotiates and make payments to claimants and service providers as needed:

The claims adjuster

- Negotiates claims costs as needed,
- Applies deductible, and
- Generates payments to claims beneficiaries (this may include the policyholder and other claimants involved in the incident).

11. Makes final payment and closes the claim:

The claims adjuster makes the final payment on the claim and closes the claim.

12. Makes final payment, closes the claim and refers the claim to legal team:

The claims adjuster makes the final payment, closes the claim and refers the claim to the legal team to recover certain claim costs from insurance companies covering other drivers involved.

